



Office of the Mayor

NEWS RELEASE

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City's strategy will fuel new growth on the west side

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Streetscape improvements along Western Avenue. A new family practice facility jointly run by the city's hospitals as part of a rejuvenated LaSalle Square. Initial investments for Portage Prairie. Completion of scheduled demolition in the former Studebaker Corridor.

Those are some of the projects under consideration for support in the coming year by the City of South Bend in the largest Tax Increment Financing district in the city.

The Redevelopment Commission heard a plan Friday (December 7, 2007) to invest nearly \$43 million in resources generated in 2008 in the city's Tax Increment Financing or TIF districts, including a specific strategy for the recently expanded Airport Economic Development Area. (A three-year TIF budget and strategy for the downtown central business district was unveiled in mid-August.)

The Airport Economic Development Area, the largest TIF district with more than \$27 million or 60 percent of the overall TIF resources, was expanded earlier this year to include LaSalle Square, the Marycrest-Hurwich area along Western Avenue and the Sample-Ewing Development Area, home to the Studebaker Corridor.

"I'm excited about the ability to bring new resources to the west side. The extraordinary growth in the Blackthorn area will help to bring new development, an expanded tax base and good jobs to this area," said Mayor Stephen J. Luecke. "In response to neighborhood requests, the city will mobilize more than \$2 million in resources for the LaSalle Square area alone. We are preparing the way for significant private investment to follow."

The city's Department of Community and Economic Development has outlined a strategy for using resources generated by the Airport TIF. While it lists more than three dozen potential activities, the department's interim director, Jeff Gibney, says the projects still are being evaluated with a greater priority given to new economic opportunities over routine infrastructure maintenance that lacks contiguous development.

"2008 could be an enormous year for downtown and a big year for the airport industrial parks," Gibney said. "Every time we think we have a working plan in place, a developer approaches us with a new and exciting possibility."

At this time, activities being considered for the next three-year period include:

Airport Economic Development Area:

- City support for American Electric Power's new westside power line along with street improvements along Western Avenue.
- Planning, possible site acquisition and infrastructure improvements in LaSalle Square along with support for a new family practice center in a renovated facility on Bendix Drive that would be a joint venture of Memorial Hospital of South Bend and St. Joseph Regional Medical Center.
- Infrastructure work to support Portage Prairie, a \$378-million mixed-use development that includes housing and destination retail. Projects under consideration include study, design and property acquisition to extend Auten Road; extending sewer and water services; and an impact study and preliminary design for a new U.S. 31 interchange at Auten Road.
- Acquisition and demolition of Underground Pipe and Valve, the last facility scheduled for demolition in the former Studebaker Corridor.
- Road design, sewer and water engineering and an entrance road for a regional fire and safety training facility near the airport.
- Updating the Airport 2010 Master Plan, including an employment survey and development of strategies for future expansion.
- Capital improvements at the Blackthorn Golf Course, including expansion of the clubhouse and improvements for bunkers.
- Marketing of the Blackthorn Corporate Park in conjunction with Grubb & Ellis|Cressy & Everett.
- A variety of possible road improvements, including for Bendix Drive, Clocktower Lane, Champion Drive, Commerce Drive, Dylan Drive, Eagle Way, Foundation Drive, Lincolnway West, Nintz Parkway, Olive Road and Voorde Drive.

Downtown:

The city's three-year downtown strategy was announced previously.

http://www.southbendin.gov/docs/News_081707_DTStrategy.pdf But already several new opportunities have presented themselves as additional possibilities:

- Support for expanded parking and a new façade as WNIT-TV Public Television renovates the WSBT facility.
- Acquisition of a downtown parking lot to facilitate conversion of an older office building into condominiums.
- Support for the Community Foundation of St. Joseph County's Art in Public Places initiative.
- A commercial/residential mixed-use project at Hill Street and Colfax Avenue.

Central Medical Services Area:

- Continued relocation of Bartlett Street (east of Main Street) and planning for the removal of the Michigan Street S-curve.

West Washington Development Area:

- Continued improvements in the conversion of the former Natatorium into a U.S. Civil Rights Heritage Center under the operation of Indiana University South Bend.
- Acquisition of a Housing Authority maintenance building to create a near-downtown residential development site.
- Other unannounced development projects.

Various South Side Development Areas:

- Debt service and possible property acquisition.

In a TIF district, the increase in tax revenue generated by the value of development stays within the boundaries of the district to fund new infrastructure, including curbs, sidewalks, streets, landscaping and other public improvements.

Because of late tax collections, the 2008 TIF budgets represent nearly two years of TIF revenue. With a combined appropriations budget of nearly \$43 million, the 2008 TIF resources are larger than the general fund budget of any single city department. In addition to appropriating resources, the Redevelopment Commission approves spending on each project within a TIF district on a case-by-case basis.

For 2008, TIF appropriations include:

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| • Airport Economic Development Area | \$27,084,000 |
| • South Bend Central Development Area | \$ 8,032,000 |
| • Central Medical Services Area | \$ 1,800,000 |
| • West Washington Development Area | \$ 1,200,000 |
| • South Side Development Area (general) | \$ 925,000 |
| • South Side Development Area (Erskine Village) | \$ 800,000 |
| • South Side Development Area (Erskine Commons) | \$ 140,000 |
| • Douglas Road Economic Development Area | <u>\$ 46,000</u> |
| Subtotal | \$40,027,000 |

For 2008, TIF enterprise funds include:

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| • Blackthorn Golf Course | \$ 2,335,190 |
| • Redevelopment Retail (Leighton Plaza) | <u>\$ 166,621</u> |
| Subtotal | \$ 2,501,811 |

TOTAL: \$42,528,811